



NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT

7007 3020 0000 3029 4155

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Response Required – Deadline Enclosed

30015 10631

26-Mar-08

SANDLOTT ENERGY (JACKIE BREWER DBA)
PO BOX 711
LOVINGTON NM 88260

LOV NO. 02-08-048

LETTER OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

| RESLER YATES STATE No.355 | | | | A-32-18S-28E | 30-015-02148-00-00 |
|--|----------------------------|------------------|-------------------|-------------------------------------|---|
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: Inspection No. |
| 03/26/2008 | File and Compliance Review | Gerry Guye | Yes | No | 4/7/2008 iGEG0808650800 |
| Comments on Inspection: Review of this well file indicates no MIT test has been performed. Violation of Rule 19.15.9.704.A.(2). Operator must contact OCD Artesia Office prior to Corrective Action due date to set up schedule for testing well. | | | | | |
| RESLER YATES STATE No.055 | | | | B-32-18S-28E | 30-015-02152-00-00 |
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: Inspection No. |
| 03/26/2008 | File and Compliance Review | Gerry Guye | Yes | No | 4/7/2008 iGEG0808650871 |
| Comments on Inspection: Review of this well file indicates no MIT test has been performed. Violation of Rule 19.15.9.704.A.(2). Operator must contact OCD Artesia Office prior to Corrective Action due date to set up schedule for testing well. | | | | | |
| LEVERS STATE No.007 | | | | N-4-18S-28E | 30-015-02575-00-00 |
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: Inspection No. |
| 03/26/2008 | File and Compliance Review | Gerry Guye | Yes | No | 4/7/2008 iGEG0808650931 |
| Comments on Inspection: Review of this well file indicates no MIT test has been performed. Violation of Rule 19.15.9.704.A.(2). Operator must contact OCD Artesia Office prior to Corrective Action due date to set up schedule for testing well. | | | | | |

RESLER YATES STATE No.368

G-32-18S-28E 30-015-10286-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|-----------------|----------------------------|------------|------------|------------------------------|---------------------------|----------------|
| 03/26/2008 | File and Compliance Review | Gerry Guye | Yes | No | 4/7/2008 | iGEG0808650991 |

Comments on Inspection: Review of this well file indicates no MIT test has been performed. Violation of Rule 19.15.9.704.A (2). Operator must contact OCD Artesia Office prior to Corrective Action due date to set up schedule for testing well.

RESLER YATES STATE No.349

N-29-18S-28E 30-015-10631-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|-----------------|----------------------------|------------|------------|------------------------------|---------------------------|----------------|
| 03/26/2008 | File and Compliance Review | Gerry Guye | Yes | No | 4/7/2008 | iGEG0808649978 |

Comments on Inspection: Review of this well file indicates no MIT test has been performed. Violation of Rule 19.15.9.704.A.(2). Operator must contact OCD Artesia Office prior to Corrective Action due date to set up schedule for testing well.

RESLER YATES STATE No.379

G-32-18S-28E 30-015-20115-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|-----------------|----------------------------|------------|------------|------------------------------|---------------------------|----------------|
| 03/26/2008 | File and Compliance Review | Gerry Guye | Yes | No | 4/7/2008 | iGEG0808650661 |

Comments on Inspection: Review of this well file indicates no MIT test has been performed. Violation of Rule 19.15.9.704.A.(2). Operator must contact OCD Artesia Office prior to Corrective Action due date to set up schedule for testing well.

RESLER YATES STATE No.380

H-32-18S-28E 30-015-20215-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|-----------------|----------------------------|------------|------------|------------------------------|---------------------------|----------------|
| 03/26/2008 | File and Compliance Review | Gerry Guye | Yes | No | 4/7/2008 | iGEG0808650731 |

Comments on Inspection: Review of this well file indicates no MIT test has been performed. Violation of Rule 19.15.9.704.A.(2). Operator must contact OCD Artesia Office prior to Corrective Action due date to set up schedule for testing well.

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,

Artesia OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.
*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.